U.S. Department of Housing and Urban Development
Washington, D.C. 20410
(202) 254-5914

January 1, 1979 Volume 10 Number 1

Hud Newsletter

Current Trends

Normally private mortgage insurance activity declines at this time of year following seasonal mortgage lending activity. However, *HUD* reports private mortgage insurance activity up sharply from September levels. Following two months in a row in which applications were below year ago monthly levels, new applications received in October rose to 66,180. . . slightly above last October's volume. Private insurers issued 62,616 new certificates carrying a total loan amount of $2.5 billion. This dollar volume brings cumulative year-to-date new insurance written to $22.8 billion. . . surpassing last year's annual total by almost $1.2 billion. Insurance in force at the end of October totaled $77.8 billion. . . $17.6 billion greater than a year earlier.

The ***Federal Home Loan Bank Board*** has trimmed its liquidity requirement for savings and loan associations by half a percentage point. . . freeing an estimated $2 billion for mortgage lending.

***California Federal Savings and Loan Association. . .* the Nation's largest federally chartered association. . . has reduced its cheapest mortgage rate to 10.75 percent from 11 percent. *California Federal* had raised its so-called prime rate to 11 percent in mid-November and was the first major savings and loan in the State to do so.**

Project notes totaling $667,207,000. . . representing 87 ***Public Housing Agencies. . .*** were sold in mid-December at an average interest rate of 5.520 percent. The interest rate last month was 5.532 percent. Bids ranged from 4.25 percent to 5.86 percent. The average maturity of the notes sold was 9.1 months.

Bids on 182 mortgages totaling approximately $369 million were accepted at the project mortgage auction held in mid-December. *GNMA* had offered to sell $478 million in *FHA*-insured project mortgages and sold about 77 percent. Total offers received by *GNMA* were in excess of $900 million. The range of accepted bids for projects that pay off in cash in the event of default was from a yield of 8.591 to 9.797 percent with an average yield to the investor of 9.609 percent. The average yield to investors for projects that pay off in debentures in the event of default was 9.781 with a range of yields from 9.615 to 9.905 percent.

300 Lot Purchasers to be Reimbursed

The *Twining Corporation* and its principal, Nathan A. Twining, have voluntarily agreed to fully reimburse 300 purchasers who paid nearly $2 million for undeveloped land near Albuquerque, New Mexico. The agreement climaxes an 8-month investigation by the ***Department's Office of Interstate Land Sales Registration. . .*** during which Twining was alleged to have violated the *Interstate Land Sales Full Disclosure Act*. This refund offer represents the largest sum included in a single settlement negotiated by the ***Department***.

Number of Children Declining in Most States

Lower birth rates and changing migration patterns have had a marked impact on the age markup of State populations in the 1970's. . . according to a *Census Bureau* report.

The report. . . which presents 1971-1977 population estimates for States by age, shows declines for most States since 1970 in both the population under 5 and 5 to 17 years. Nationally. . . there was a decline since 1970 of about 2 million (11.2 percent) in the population under 5 and about 3.5 million (6.7 percent) in the population 5 to 17. Declines were particularly sharp for the Northeastern and North Central States, with the population under 5 down 24.4 and 16 percent, respectively. In the South and West. . . however. . . expected population losses in these age groups due to declining fertility were nearly offset by migration gains.

All States not showing a decline in those under 5 were in the South and West. . . and only New Hampshire of the States outside those two regions had an increase in the population 5 to 17. For the population under 5. . . gains were made in all of the Mountain States, as well as **Alaska, Hawaii, Oregon, Florida, Mississippi, Arkansas, Oklahoma,** and **Texas. Utah's** 36 percent gain under 5 was by far the largest of any State.

Florida, Nevada, and **Arizona** continued to lead the Nation in percentage gains of those 65 and older. Florida gained an estimated 460,000 persons in thisage group (46.5 percent), by far the greatest numerical gain. Nevada's gain was 64.4 percent and Arizona's 55.6 percent.

Nationally. . . the older population also has grown considerably since 1970. . . up 17.6 percent. The 23.5 million persons 65 and older now constitute 10.9 percent of the population. Regionally. . . this age group has increased 11 percent in the Northeastern and North Central States. . . 25.8 percent in the South and 24.5 percent in the West.

From 1970 to 1977 every State showed large increases in the population 18 to 44. . . as those born during the baby boom of the late 1940's and 1950's moved into this age group. The largest increase occurred in those aged 25 to 34. . . a gain of 8 million. . . or 32 percent.

The slowest growing population group in the 1970's has been those 45 to 64. . . reflecting the low birth rates of the Depression years. This group will show little or no growth for a number of years. . . according to the report.

Copies of the report, *Estimates of the Population of States, by Age: 1970 to 1977, Series P-25, No. 734,* **are available for $1.10 each from the** ***Superintendent of Documents*****, Washington, D.C. 20402.**

Crime Insurance Director Named

Amir (Le Roy) Spears has been named Director of the *HUD Federal Crime Insurance Program*. The new Director manages a program which enables individuals and businesses to purchase affordable insurance against burglary and robbery losses in areas where the cost or availability of crime insurance is a problem.

Spears was an insurance underwriter before coming to ***HUD*** in 1976; prior to that he was an area manager for the ***Minnesota Mining and Manufacturing Company (3M).*** He played professional football for the ***Green Bay Packers*** in 1971-72. A native of Minneapolis, Spears is married and has three children.

Federal Crime Insurance is available in 22 States, the **District of Columbia, Puerto Rico,** and the **Virgin Islands.** At present. . . there are over 54,000 policies in force representing $233 million worth of residential insurance and $119 million in commercial insurance. Property owners and tenants can purchase burglary and robbery insurance in amounts up to $10,000. Businesses can purchase up to $15,000 worth of coverage.

Appeal for Photos

Black-and-white photographs of compatible new architecture in older settings are being sought by the *National Trust for Historic Preservation* for possible use in its forthcoming book on *Old and New Architecture – Design Relationship*. The book is based on the proceedings of the ***Trust's*** 1977 conference on this theme.

For specific information. . . photographers may contact Michael S. Leventhal, Special Programs Coordinator, Education Services Division, ***National Trust for Historic Preservation,*** 740-748 Jackson Place, N.W., Washington, D.C. 20006 (202/638-5200).

HUD Grants Help States Help Communities

Award of $3.5 million in *State Technical Assistance Grants* **to 16 States to help localities plan and implement their Community Development Program has been announced by *HUD* Secretary Harris.**

Recipients of the awards were selected competitively from among 44 States who submitted proposals to ***HUD*** for funding.

In announcing the grants. . . Secretary Harris said, "The role of States in assisting cities in the application for and administration of block grant funds emphasizes the strength of the new urban partnership among the Federal, State, and local governments."

The awards. . . ranging from $40,000 to $300,000. . . will enable many cities, counties, and Indian tribal councils to receive help in preparing applications and in complying with Federal requirements necessary to successfully implement their Community Development Programs.

The *State Technical Assistance Grants* are funded for 1 year. The size of the grant was based on the State's identified technical assistance needs and its ability to deliver expanded services within 12 months.

Urban Impact Analyses

***HUD* has announced a $500,000 demonstration project aimed at building the capacity of State and areawide *A-95 Clearinghouses*. . . in cooperation with Federal agencies. . . to develop and carry out urban policy objectives.**

The ***A-95 Clearinghouses***. . . which were established to help assure that projects proposed for Federal assistance are coordinated, are composed of both State and local government officials. Review procedures for these intergovernmental units were established in 1969 by the ***Office of Management and Budget*** in *OMB Circular A-95*. The circular provides ***Clearinghouses*** and Federal agencies with guidance concerning the review and coordination of Federal and federally-assisted programs and projects.

Developed by ***HUD's Office of Community Planning and Development*** in cooperation with the ***White House Interagency Coordinating Council (IACC)***. . . the demonstration project is designed to encourage State and areawide ***Clearinghouses*** to develop urban impact analyses of projects proposed for Federal assistance prior to fund approval.

Robert C. Embry, Jr., ***HUD*** Assistant Secretary for Community Planning and Development, said the ***Clearinghouses*** will be invited to submit applications to participate in the demonstration project. Ten to 15 of the Clearinghouses will be chosen to share $500,000 in comprehensive planning assistance program funds authorized by Section 701 of the *Housing Act of 1954*.

Jack Watson, the Chairman of ***IACC,*** has indicated that the 701 funded Clearinghouse demonstration will support the President's efforts to assure efficient, and equitable use of Federal programs in urban areas. In addition. . . the demonstration will help strengthen the objectives of the urban policy.

Copies of the announcement on the demonstration project have been sent to eligible ***Clearinghouses***. For further information contact Richard Alexander, Director, Community Program Coordination Division, ***HUD***, Room 7230, Washington, D.C. 20410 (202/755-6234).

AIA Gold Medal to Pei

World-renowned architect Ieoh Ming (I.M.) Pei, FAIA, was selected to receive the *American Institute of Architects'* highest award – the Gold Medal. Pei was chosen by the *AIA* Board of Directors "in recognition of most distinguished service to the architectural profession or to the Institute." He will receive the Gold Medal on June 6 during the 1979 *AIA* national convention in Kansas City.

The founder of ***I.M. Pei and Partners,*** New York. . . Pei is the second consecutive New York architect to win the coveted Gold Medal. Philip Johnson, FAIA, was the recipient in 1978. Pei is only the 41st person to receive the award since its inception in 1907.

Throughout 1978. . . Pei received unprecedented critical acclaim for his disign of the $94 million East Building of the ***National Gallery of Art*** in Washington. . . a 60,000-square-foot marble structure that took 10 years to complete. Faced with a site of irregular proportions. . . he was forced to split the museum interior into two triangles, with the larger triangle housing the museum and the smaller one accommodating the ***National Gallery's*** newly inaugurated ***Center for Advanced Study in the Visual Arts.***

FYI

American Planning Association and the *Office of Archeology and Historic Preservation (Dept. of Interior).* . . Seminar: *Tax Incentives for Historic Preservation.* . . **Alexandria, Va.,** January 19; **Denver,** February 5; **Charleston, S.C.,** February 19; **Monterey, Cal.,** March 23; **Boston,** April 2; and **Cincinnati,** April 16. **Details: Richard C. Jaffeson, *APA*, Preservation Seminar, 1776 Massachusetts Ave., N.W., Washington, D.C. 20034 (202/872-0611).**

Published weekly by the Publications and Information Division, Office of the Assistant Secretary for Administration, U.S. Department of Housing and Urban Development. . . Patricia Roberts Harris, Secretary. . . Paul Kelly, Editor. Subscription rate $23.00 per year, domestic. . . $28.75 foreign. Address all communications regarding the subscriptions, change of address, etc. to the Superintendent of Documents, Washington, D.C. 20402. The Secretary of HUD has determined that the publication of this periodical is necessary in the transaction of the public business required by law of this Department. Use of funds for printing this periodical has been approved by the Director of the Office of Management and Budget through September 30, 1979.

UNITED STATES
GOVERNMENT PRINTING OFFICE
Public Documents Department
Washington, D.C. 20402

Official Business
Penalty for Private Use, $300

DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT
POSTAGE AND FEES PAID
HUD-401

U.S.MAIL

FIRST-CLASS

HUDN SERIA300S ISSDUE00ER 1
SERIALS PROCESSING
UNIVERSITY MICROFILMS
300 N ZEEB RD
ANN ARBOR MI 48106